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PALACE OFFICE RECORDS

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PART III—Section I

NOTIFICATIONS BY GOVERNMENT

GENERAL SECRETARIAT

Dated 26th September 1949.

No. 828—Lw. 71-49-1 Under Section 12 (4) of the Labour Act, (Act XIII of 1942), the Government of His Highness the Maharaja are pleased to publish for general information the accompanying report of the Chief Conciliator in respect of the failure of conciliation proceedings in the dispute between the Mysore Chrome Tanning Company, Labour Association, Bangalore City, and the General Manager of the Company in regard to a notice of change given by the Association urging their demands as detailed in the report.

MIR SAFDAR HUSSAIN, *Gen. Secy.*

REPORT OF THE CHIEF CONCILIATOR IN MYSORE, BANGLORE.

Dated 16th September 1949.

To

The Secretary to the Government of
His Highness the Maharaja of Mysore,
General Department, BANGALORE.

Sir,

I. C. 31—48-49 This dispute arose out of a Notice of Demand given by the Mysore Chrome Tanning Co., Ltd. Labour Association, Bangalore City, to the General Manager of the Company on 19th April 1949. During the proceedings before me the Company was represented by its General Manager and Secretary to the Board of Management, while the Association was represented by its President, Vice-President and Secretary.

The Notice of change contains the following seven demands :—

1. The minimum wage of every worker of the Mysore Chrome Tanning Coy, should be Rs. 1-4-0 per day.
2. A dearness allowance of Rs. 30 should be paid to every worker.
3. A bonus payment of two months wages should be made as annual bonus.
4. Annual Service increment must be given every year at a uniform rate of annas two.
5. Annual privilege leave of 21 days and a sick leave of 10 days on full pay should be given.
6. Every worker who has put in a service of six months should be treated as a "Permanent worker".
7. As regards the conditions Labour in the above factory are working, there must be periodical inspection and a provision for free medical treatment in the Factory.

As regards the last demand, the Secretary stated that the Management has decided to provide medical aid to the workers, and there is every guarantee that this decision would be implemented shortly. The demand was withdrawn.

As regards the other demands, the position was ascertained as under :—

The minimum wages are nine annas in the case of a male worker and eight annas in the case of a female. Workers getting more than Rs. 25 a month get a dearness allowance of Rs. 2 and the rest Rs. 3. Proportionate reduction in dearness allowance is made for absence in excess of 3 days. Further, an Attendance Bonus of Rs. 4 is paid to each worker if the absence in a month does not exceed two days. The Secretary stated that the Management was willing to grant to its employees dearness allowance on the same scale as in Government service. As regards minimum wages the Management is not prepared to take any action until the Minimum Wages Act comes into effect. During the war years, a Bonus equal to one month's wages has been paid except in 1947-48, when it was reduced to one-half of the monthly wages. The Management stated that the affairs of the Company were so bad that it was not in a position to consider the grant of a higher bonus. For the same reason it is unable to grant a service increment of 2 annas per year to every worker. At present, nearly all the workers are being given increments ranging from six pies to two annas in October or November of each year. Leave with pay is now limited to seven days and no sick leave is granted separately. There is a proposal to increase this period to 10 days. This is the utmost that the Management can do for the time being. The number of permanent workers in the Factory is about 100, while the temporary hands are 10 or 12. Production has gone down considerably and the Management is finding it difficult to keep even the existing permanent men fully engaged. It is therefore not possible for the Company to think of making temporary workers permanent after a definite period of service.

The Secretary of the Board explained that the working of the factory during 1948-49 was likely to show a big loss. The company has exhausted its liquid resources. There is no balance at the credit of the Dividend Equalisation Fund, and the general reserve has dwindled to less than Rs. 80,000. The Company owes debt of about Rs. 39,000 to the Mysore Bank and has to pay arrears of Income-tax of about Rs. 27,000. Machinery and other equipment ordered sometime ago have begun to arrive and the liability of the Company on this account is of the order of Rs. one lakh. Government have been approached with a request to sanction one lakh and unless this is obtained soon, the Factory will have no money even to pay wages to its workers In these circumstances, it is hardly possible to do anything more for labour until the market improves and the production is stepped up. The Association's contention is that during the war years when the concern made huge profits, the share-holders were given dividends ranging from 12½ to 15 per cent and that even during 1947-48, a dividend of 6¼ per cent was declared though the working during that year did not yield sufficient profits. In the view of the Association, the improvement of the workers' condition should take priority over the claims of Capital and as the Management has disregarded this vital principle, the Association felt compelled to press its demands. The result was a failure of the conciliation proceedings and I make this report under Section 12 (4) of the Mysore Labour Act.

Yours faithfully,

K. SUBBA RAO, *Chief Conciliator.*

Dated 26th September 1949.

No. L. S. 831—L.W. 71-49-12. Under Section 12 (4) of the Mysore Labour Act (Act XIII of 1942), the Government of His Highness the Maharaja are pleased to publish for general information the accompanying report of the Chief Conciliator in Mysore in respect of the failure of Conciliation Proceedings in the dispute between the Mysore Sugar Company Employees' Association and the General Manager, Mysore Sugar Company, Ltd., Mandya, in regard to a notice of change given by the said Association urging their demands as detailed in the report.

MIR SAFDAR HUSSAIN,

Gl. Secy.